

Housing Authority - County of Los Angeles

March 17, 2008

TO: Each Supervisor

FROM: Carlos Jackson, Executive Director

SUBJECT: **MONTHLY PROGRESS REPORT ON THE SECTION 8 PROGRAM**

On March 13, 2007 your Board instructed me to report monthly on our progress to remove the Section 8 program from its Troubled status under Section 8 Management Assessment Program (SEMAP). This report covers the period between February 18, 2008 and March 17, 2008, and provides information on the following:

- Lease-up
- Annual Re-Examinations and Inspections
- The Impact of Socialserve.com
- The Impact of the Call Center
- Corrective Action Plan
- The Confirmatory Review
- The HUD OIG Audit Report
- YARDI Status Update
- The OIG Joint Audit for the City and County of Los Angeles
- Senate Section 8 Voucher Reform Act

Lease-up

As of March 1, 2008, our lease-up rate improved to 95.6%, representing a total of 19,841 assisted families throughout the County. We previously reported that our goal is reach 98% lease up by June 30, 2008. Because we are currently utilizing over 100% of our allocated subsidy funds we will complete the requests for new contracts in receipt, and then determine the additional number that can be issued based on available funding.

Annual Re-examinations and Inspections

We continue to remain current in maintaining our percentage rate at the level to achieve the maximum points for the SEMAP review. As of March 1, 2008, our rates were 1% and 3% for annual reexaminations and inspections, respectively.

Socialserve.com

Socialserve.com continues to play a crucial role connecting our voucher holders with our participating landlords. For a 28-day period between February 17 and March 16, 2008, Socialserve.com averaged 3,867 total listings, 2,719 participating landlords, and 121,454 housing searches.

Call Center

Our Call Center is currently averaging approximately 3,500 calls per week, with an actual total of 14,127 for the period between February 18, 2008 and March 14, 2008. For your information, the average wait time for the stated period was 2 minute, 2 seconds.

Corrective Action Plan

HUD has informed us that they concluded their review of the documents we submitted to support completion of the items on the corrective action plan. However, they cannot move forward with providing a formal response because not all board members have completed the training.

Confirmatory Review

HUD has informed HACoLA that their confirmatory review of our SEMAP certification for the fiscal year ending 06-07, submitted on August 6, 2007, may not occur until April 2008.

The HUD OIG Audit

Based on our continued review of the citations cited for recommendations (1J) to withhold 10% of administrative fee starting in fiscal year 2008, and (1M) to reimburse HUD \$3.6M with outside counsel, we are planning to challenge these recommendations. This issue will be addressed in our formal response due to HUD on March 22.

Despite our disagreement with recommendation 1J, we have contracted with the Bronner Group to conduct an independent review of the YARDI software system implementation.

We are currently recruiting for the Assisted Housing Division director position. The position will be advertised in major housing authority journals as of March 24.

YARDI Status

As I reported to you on February 19, 2008, we have decided to postpone the go live date to May 1, 2008. This decision was made to provide staff with additional training and compliance review to support a smooth transition.

OIG Joint Audit of the City and County of Los Angeles

The on-site review of HACoLA's files has been completed. The exit conference is pending until completion of the on-site review at the Housing Authority of the City of Los Angeles.

Senate SEVRA

The Senate version of SEVRA was released on March 3, 2008. It incorporates several of the recommendations housing advocates lobbied for as a result of the House version, which was passed July 12, 2007.

Some of the major provisions the bill is proposing include: the authorization of renewal of all existing vouchers, as well as authorizing the issuance of 100,000 additional vouchers for fiscal years 2009-2013. It would simplify the inspections process and income review process, as well as eligibility requirements based on assets and income, and includes in the administrative fee the cost of issuing new vouchers as well as an amount for the cost of FSS coordinators.

Overall, HACoLA is in support of the Senate version of SEVRA, as it would help improve program performance.

Please feel free to contact me if you have any questions or need additional information.

CJ:MLH

C: William T. Fujioka, Chief Executive Officer
Lari Sheehan, Deputy Chief Executive Officer
Sachi A. Hamai, Executive Officer/Clerk of the Board of Supervisors
Each Deputy
Los Angeles County Housing Commissioners